VZCZCXRO0204 PP RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #1559 0651103 ZNR UUUUU ZZH P 061103Z MAR 06 ZDK CTG RUEHCB 0210 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC PRIORITY 0832 INFO RUCNNSG/NUCLEAR SUPPLIERS GROUP COLLECTIVE RUEHIL/AMEMBASSY ISLAMABAD 6720 RUEHME/AMEMBASSY MEXICO 0171 RUEHTV/AMEMBASSY TEL AVIV 0529 RUEHCI/AMCONSUL CALCUTTA 2086 RUEHCG/AMCONSUL CHENNAI 1929 RUEHJM/AMCONSUL JERUSALEM 0136 RUEHKP/AMCONSUL KARACHI 2580 RUEHLH/AMCONSUL LAHORE 2182 RUEHBI/AMCONSUL MUMBAI 1152 RUEHPW/AMCONSUL PESHAWAR 2864 RHEBAAA/DEPT OF ENERGY WASHINGTON DC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 9418 RHMFISS/HQ USCENTCOM MACDILL AFB FL RHHMUNA/HQ USPACOM HONOLULU HI RHMFISS/HQ USSOCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC

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SUBJECT: NEW DELHI-BASED CHIEFS OF MISSION BRIEFED ON

U.S.-INDIA CIVIL NUCLEAR COOPERATION

REF: STATE 37461

- 11. (U) Drawing from reftel, DCM briefed New Delhi-based Chiefs of Mission and senior officers from key Nuclear Supplier Group (NSG) and IAEA member countries on March 3, including Israel and Pakistan, regarding the March 2 announcement that President Bush and Indian Prime Minister Singh had reached an understanding on India's proposed separation of civil and military nuclear facilities and programs, to enable U.S.-India civil nuclear cooperation.
- 12. (U) Reaction from the invited diplomats was generally positive, reflecting the endorsement of the agreement that had already been expressed by the leaders of key NSG countries immediately following the March 2 announcement.

A FEW CLARIFICATIONS

13. (SBU) The Belgian DCM questioned whether the March 2 announcement -- by enabling access to international sources of uranium -- would spell the end of the long-running US effort to cap India's nuclear program. The Austrian Ambassador, likewise, questioned whether the terms of the March 2 deal (and India's ability to designate which facilities are civilian) would lead to a possibly shrinking percentage of India's facilities falling under safeguards. We explained that the small current size of India's nuclear industry, and the number of large output Russian and French projects in the pipeline, make it a virtual certainty that the percentage of India's total generating capacity under IAEA safeguards will rise quickly. As for the fungability of fuel and fissile material, we made the point that this is an apples/oranges question. The US-India agreement is designed to address India's legitimate energy requirements and to strengthen the international non-proliferation system by bringing the GOI into the international mainstream. As experience since 1974 demonstrates, uranium supply is not a significant constraint on India's weapons development; it is,

however, a major constraint on India's energy program. The UK PolCouns posed the question of where India stands in its consideration of the Proliferation Security Initiative. We explained that this remains a USG priority and we continue to get positive signals from the GOI, but this was not part of the March 2 framework.

(U) Visit New Delhi's Classified Website:
(http://www.state.sgov.gov/p/sa/newdelhi/)
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